# GOVERNMENT OF INDIA
# STEEL
# LOK SABHA

UNSTARRED QUESTION NO:4033
ANSWERED ON:30.04.2012
AVAILABILITY OF IRON ORE
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**Will the Minister of STEEL be pleased to state:**

(a) whether there is shortage in the supply of iron ore to the steel plants;

(b) if so, the impact thereof on production and market price of steel;

(c) the steps taken/being taken by the Government to ensure easy availability of iron ore at a fair price to the steel plants; and

(d) the success achieved by the Government in normalizing the situation?

## Answer

THE MINISTER OF STEEL (SHRI BENI PRASAD VERMA)

(a)&(b): The production of iron ore during 2010-11 (provisional) was 208 million tonnes whereas the total estimated domestic consumption by iron and steel industry was 111.40 million tonnes. Therefore, overall there has been no scarcity of iron ore for the domestic iron and steel industry.

(c)&(d): To improve availability of iron ore for the domestic iron and steel industry at affordable price, the Government has increased the export duty on iron ore from 20% ad valorem to 30% ad valorem on all grades of iron ore (except pellets) with effect from 30.12.2011. The export of iron ore during 2011-12 has been substantially reduced and was approximately 55.76 million tonnes during April,11-February,12 (provisional) as compared to about 87.25 million tonnes in the corresponding period of previous year 2010-11, thus showing a reduction of about 36% in the export of iron ore from the country.